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DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

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Division Director

Inspection Report

Minerals Regulatory Program

Report Date: September 13, 2006

Supervisor

Mine Name: Sage
Operator Name: Butt Mining Company

Permit number: M0370058
Inspection Date: June 13, 2006
Time: 5:45-6:00 PM

Inspector(s): Paul Baker
Other Participants: None
Mine Status: Inactive

Weather: Mostly clear, 80s, breezy

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:

Some problems were noted during the August 2005 inspection, and I wanted to verify that they had been taken care of.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

The operator has not yet posted a surety. This needs to be done by December 8, 2006.

2. Public Safety (shafts, adits, trash, signs, highwalls)

When I inspected the mine in August 2005, the portal was open, but it has now been backfilled (Photo 4).

Much of the trash/scrap/equipment has been cleaned up.

3. Protection of Drainages / Erosion Control

The operator has built a berm around the edge of the waste pile (Photo 2) in an attempt to keep runoff from the top of the pile from eroding the sides. There will still be some erosion off the sides of the waste pile.

In the report for the previous inspection, I suggested that a culvert be placed where the access road crosses the stream not knowing that a culvert was there (Photo 1) and that the inlet and outlet needed to be cleaned. This has been done.

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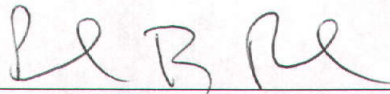
Conclusions and Recommendations:

The operator and the Division need to monitor the berm around the edge of the waste pile for maintenance problems.

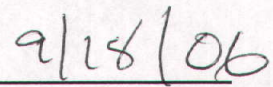
The operator needs to contact the Division about a reclamation surety. The amount of the surety will need to be coordinated with the Bureau of Land Management.

I understand the operator intends to transfer the mine to another entity. With the surety due to be posted in a few months, it would be good to start work on the transfer now.

Inspector's Signature



Date:



PBB:pb

cc: Jim Butt, Butt Mining
Ted McDougall, Monticello BLM
Attachment: Photos

ATTACHMENT

Photographs

M0370058. Sage Mine, Butt Mining Company

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Photo 1. The culvert has been cleaned; it was completely covered at the last inspection.



Photo 3. The berm should help keep material from the waste pile from entering the drainage.



Photo 2. A berm has been built around the edge of the pad.



Photo 4. The portal has been backfilled.